

GRENVILLE GOLD CORP.

Condensed Consolidated Interim Financial Statements

For the Three Months Ended March 31, 2017 and 2016

(Unaudited, Expressed in Canadian Dollars)

NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the interim financial statements, they must be accompanied by a notice indicating that the interim financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management. The unaudited condensed interim consolidated financial statements have been prepared using accounting policies in compliance with International Financial Reporting Standards for the preparation of the condensed interim financial statements and are in accordance with IAS 34 – *Interim Financial Reporting*.

The Company's independent auditor has not performed a review of these unaudited condensed interim consolidated financial statements in accordance with standards established by the Canadian Chartered Professional Accountants for a review of interim financial statements by an entity's auditor.

GRENVILLE GOLD CORP.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Unaudited, in Canadian dollars)

	Notes	March 31, 2017	December 31, 2016
ASSETS			
Current Assets			
Cash		\$ 55,193	\$ 1,663
Receivables		467	748
Prepaid expenses		3,132	1,542
		58,792	3,953
Exploration and evaluation assets	4	1,373,719	1,373,202
TOTAL ASSETS		\$ 1,432,511	\$ 1,377,155
LIABILITIES			
Current Liabilities			
Trade payables and accrued liabilities	5	\$ 141,086	\$ 135,068
Due to related parties	7	6,426	6,426
TOTAL LIABILITIES		147,512	141,494
SHAREHOLDERS' EQUITY			
Share capital	6	9,740,565	9,681,065
Reserves	6	4,327,153	4,327,153
Deficit		(12,782,719)	(12,772,557)
TOTAL EQUITY		1,284,999	1,235,661
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		\$ 1,432,511	\$ 1,377,155

Nature and continuance of operations 1

On Behalf of the Board

"Sonny Janda"
Sonny Janda, Director

"Shaun Dykes"
Shaun Dykes, Director

The accompanying notes are an integral part of these consolidated financial statements.

GRENVILLE GOLD CORP.**CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS**
FOR THE THREE-MONTH PERIODS ENDED MARCH 31,
(Unaudited, in Canadian dollars)

	Note	2017	2016
Revenue			
Consulting	7	\$ -	\$ 2,500
		-	2,500
Expenses			
Filing and transfer fees		2,510	2,578
Foreign exchange (gain) loss		(710)	(5,008)
Management	7	1,500	-
Office and general		583	11,126
Professional fees		4,779	1,648
Rent	7	1,500	7,764
		10,162	18,108
Net income (loss) and comprehensive income (loss)		\$ (10,162)	\$ (15,608)
Basic and diluted loss per share		\$ (0.00)	\$ (0.00)
Weighted average number of common shares outstanding			
- basic and diluted		21,623,724	17,020,984

The accompanying notes are an integral part of these consolidated financial statements.

GRENVILLE GOLD CORP.**CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY***(Unaudited, in Canadian dollars, except share number)*

	Share Capital		Reserves			Total
	Number	Amount Received	Option	Warrant	Deficit	
Balance at December 31, 2015	17,020,984	\$ 9,321,065	\$ 2,872,403	\$ 1,454,750	\$ (11,668,862)	\$ 1,979,356
Net and comprehensive loss	-	-	-	-	(15,608)	(15,608)
Balance at March 31, 2016	17,020,984	9,321,065	2,872,403	1,454,750	(11,684,470)	1,963,748
Shares issued for cash	6,000,000	360,000	-	-	-	360,000
Net and comprehensive loss	-	-	-	-	(12,756,949)	(12,756,949)
Balance at December 31, 2016	23,020,984	9,681,065	2,872,403	1,454,750	(12,772,557)	1,235,661
Exercise of warrants	700,000	59,500	-	-	-	59,500
Net and comprehensive loss	-	-	-	-	(10,162)	(10,162)
Balance at March 31, 2017	23,720,984	\$ 9,740,565	\$ 2,872,403	\$ 1,454,750	\$ (12,782,719)	\$ 1,284,999

The accompanying notes are an integral part of these consolidated financial statements.

GRENVILLE GOLD CORP.**CONSOLIDATED STATEMENTS OF CASH FLOWS**
FOR THE THREE-MONTH PERIODS ENDED MARCH 31,
(Unaudited, in Canadian dollars)

	2017	2016
Operating activities		
Net loss for the period	\$ (10,162)	\$ (15,608)
Adjustments for non-cash items		
Foreign exchange	-	232
Non-cash interest expense	-	3,799
	(10,162)	(11,577)
Changes in non-cash working capital items		
Receivables	281	(626)
Prepaid expenses	(1,590)	(3,208)
Trade payables and accrued liabilities	6,018	12,402
Net cash flows used in operating activities	(5,453)	(3,009)
Investing activities		
Expenditures in exploration and evaluation assets	(517)	-
Net cash flows from (used in) investing activities	(517)	-
Financing activities		
Proceeds from exercise of warrants	59,500	-
Net cash flows from financing activities	59,500	-
Change in cash during the period	53,530	(3,009)
Cash, beginning of period	1,663	4,821
Cash, end of period	\$ 55,193	\$ 1,812

The accompanying notes are an integral part of these consolidated financial statements.

GRENVILLE GOLD CORP.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

March 31, 2017

(Unaudited, expressed in Canadian dollars)

1. NATURE AND CONTINUANCE OF OPERATIONS

Grenville Gold Corp. (the “Company”) was incorporated under the laws of the province of Ontario by articles of incorporation effective November 17, 1994. On June 19, 2009, the Company completed a continuance of business from Ontario to British Columbia. The Company is listed on the TSX Venture Exchange (“TSX-V”) under the symbol “GVG”, the Berlin and Frankfurt stock exchanges in Germany under the symbol “F91Q”, and a pink sheet listing (“OTCPP”) in the United States under the symbol “GVLGF”.

The head office, principal address and records office of the Company are 4770 – 72nd Street, Surrey, British Columbia, Canada, V4K 3N3.

These condensed consolidated interim financial statements have been prepared on the assumption that the Company and its subsidiaries will continue as a going concern, meaning it will continue in operation for the foreseeable future and will be able to realize assets and discharge liabilities in the ordinary course of operations. As at March 31, 2017, the Company had not advanced its property to commercial production and is not able to finance day-to-day activities through operations. The Company’s continuation as a going concern is dependent upon the successful results from its mineral property exploration activities and its ability to attain profitable operations and generate funds therefrom and/or raise equity capital or borrowings sufficient to meet current and future obligations. These factors indicate the existence of a material uncertainty that may cast significant doubt about the Company’s ability to continue as a going concern. Management intends to finance operating costs over the next twelve months with loans from directors and companies controlled by directors and/or private placement of common shares. Should the Company be unable to continue as going concern, the net realizable value of its assets may be materially less than the amounts on its consolidated statement of financial position.

These condensed consolidated interim financial statements were approved and authorized for issue by the Board of Directors on May 30, 2017.

2. BASIS OF PRESENTATION**Statement of Compliance**

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standards (“IAS”) 34 *Interim Financial Reporting* and should be read in conjunction with the annual financial statements for the year ended December 31, 2016, which have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”).

GRENVILLE GOLD CORP.

NOTES TO THE CONDENSED CONSOLIDATED INERIM FINANCIAL STATEMENTS

March 31, 2017

*(Unaudited, expressed in Canadian dollars)***2. BASIS OF PRESENTATION (Continued)****Basis of Measurement**

The condensed consolidated interim financial statements of the Company have been prepared on an accrual basis and are based on historical costs, modified where applicable. The consolidated financial statements are presented in Canadian dollars unless otherwise noted.

Basis of Consolidation

The condensed consolidated interim financial statements include the accounts of the Company and its controlled entities. Details of controlled entities are as follows:

	Country of Incorporation	Percentage Owned	
		March 31, 2017	December 31, 2016
Grenville Silveria Ltd.	Canada	100%	100%
Grenville Espanola Holdings Ltd.	Canada	100%	100%
Minera Grenville S.A.C.	Peru	100%	100%
Minera Espanola S.A.C.	Peru	100%	100%
Upper Canyon Minerals Peru S.A.C.	Peru	100%	100%
Inversiones Mineras Alexander S.A.C.	Peru	100%	100%

Inter-company balances and transactions, including unrealized income and expenses arising from inter-company transactions, are eliminated on consolidation

Significant Estimates and Assumptions

The preparation of these financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, profit and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

GRENVILLE GOLD CORP.**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

March 31, 2017

(Unaudited, expressed in Canadian dollars)

2. BASIS OF PRESENTATION (Continued)**Significant Estimates and Assumptions (Continued)**

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if it affects both current and future periods.

Estimates and assumptions where there is significant risk of material adjustments to assets and liabilities in future accounting periods the recoverability and measurement of exploration and evaluation assets, and provisions for restoration and environmental obligations.

Significant Judgments

The preparation of these financial statements in accordance with IFRS requires the Company to make judgments, apart from those involving estimates, in applying accounting policies. The most significant judgments in applying the Company's condensed consolidated interim financial statements include:

- the assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty;
- the classification of financial instruments; and
- the determination of the functional currency of the parent company and its subsidiaries.

3. PREPAID EXPENSES

Prepaid expense balances represent advances paid to suppliers for services to be rendered in the next 12 months.

GRENVILLE GOLD CORP.

NOTES TO THE CONDENSED CONSOLIDATED INERIM FINANCIAL STATEMENTS

March 31, 2017

*(Unaudited, expressed in Canadian dollars)***4. EXPLORATION AND EVALUATION ASSETS**

	Balance		Balance		Balance
	December 31,	Additions	December 31,	Additions	March 31,
	2015	(Impairment)	2016	(Impairment)	2017
Silveria					
Acquisition	\$ 1,671,385	\$ -	\$ 1,671,385	\$ -	\$ 1,671,385
Exploration costs	2,045,564	19,319	2,064,883	-	2,064,883
Impairment	(2,761,564)	(974,704)	(3,736,268)	-	(3,736,268)
	955,385	(955,385)	-	-	-
Espanola					
Acquisition	457,502	-	457,502	-	457,502
Exploration costs	735,436	73,888	809,324	517	809,841
	1,192,938	73,888	1,266,826	517	1,267,343
Josefina					
Acquisition	86,663	-	86,663	-	86,663
Exploration costs	20,398	-	20,398	-	20,398
Impairment	(107,061)	-	(107,061)	-	(107,061)
	-	-	-	-	-
Silver Mountain					
Acquisition	39,631	-	39,631	-	39,631
Exploration costs	42,564	24,181	66,745	-	66,745
	82,195	24,181	106,376	-	106,376
Total	\$ 2,230,518	\$ (857,316)	\$ 1,373,202	\$ 517	\$ 1,373,719

Silveria Property

The Company owns 100% of the Silveria property which consists of 195 claims in the San Mateo Mining District in the province of Huarochiri, Peru. As a result of uncertainty arising in connection with the status of the Company's right to explore the mineral claims underlying the Silveria property, management assessed the Silveria Property as impaired and recorded an impairment charge of \$974,704 for the year ended December 31, 2016.

Espanola Property

The Company owns 100% of the Espanola property which consists of 17 claims in the San Mateo Mining District in the province of Canete, Peru.

GRENVILLE GOLD CORP.

NOTES TO THE CONDENSED CONSOLIDATED INERIM FINANCIAL STATEMENTS

March 31, 2017

*(Unaudited, expressed in Canadian dollars)***4. EXPLORATION AND EVALUATION ASSETS (Continued)****Josephina and Silver Mountain Properties**

The Company owns 100% interests in the Josephina and Silver Mountain concessions which consist of 6 claims located in the Huarochiri province of Lima, Peru.

5. TRADE PAYABLES AND ACCRUED LIABILITIES

		March 31, 2017		December 31, 2016
Trade payables	\$	130,096	\$	126,073
Accrued liabilities		10,990		8,995
	\$	141,086	\$	135,068

6. SHARE CAPITAL

Authorized share capital: An unlimited number of common shares without par value
An unlimited number of preferred shares without par value

During the year ended December 31, 2016, the Company closed a private placement financing consisting of 6,000,000 units at a price of \$0.06 per unit for proceeds of \$360,000. Each unit consists of one common share and one common share purchase warrant, which entitles the holder to purchase one additional common share of the Company at a price of \$0.085 per share for a period of three years.

Stock Options

The Company has a stock option plan whereby a maximum of 10% of the issued and outstanding common shares of the Company may be reserved for issuance pursuant to the exercise of options. The term of the stock options granted is fixed by the Board of Directors and is not to exceed five years. The exercise prices of the stock options granted may not be less than the minimum then specified by the rules of the TSX-V. Vesting periods are determined by the Board.

GRENVILLE GOLD CORP.

NOTES TO THE CONDENSED CONSOLIDATED INERIM FINANCIAL STATEMENTS

March 31, 2017

*(Unaudited, expressed in Canadian dollars)***6. SHARE CAPITAL (Continued)**

Stock option transactions as at March 31, 2017 and December 31, 2016 are summarized as follows:

	Number of Options	Weighted Average Exercise Price
Options outstanding at December 31, 2014 and 2015	180,000	\$ 2.50
Options expired	(180,000)	2.50
Options outstanding at December 31, 2016 and March 31, 2017	-	-

As at March 31, 2017, there was no outstanding option.

Warrants

Warrants transactions as at March 31, 2017 and December 31, 2016 are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
Warrants outstanding at December 31, 2015	-	\$ -
Warrants issued	6,000,000	0.085
Warrants outstanding at December 31, 2016	6,000,000	\$ 0.085
Warrants exercised	(700,000)	0.085
Warrants outstanding at March 31, 2017	5,300,000	\$ 0.085

At March 31, 2017, the outstanding warrants were as follows:

Number of Warrants	Exercise Price	Expiry Date
5,300,000	\$ 0.085	June 24, 2021

The weighted average life remaining of these warrants outstanding as at March 31, 2017 is 4.23 years.

GRENVILLE GOLD CORP.

NOTES TO THE CONDENSED CONSOLIDATED INERIM FINANCIAL STATEMENTS

March 31, 2017

(Unaudited, expressed in Canadian dollars)

6. SHARE CAPITAL (Continued)**Stock Option Reserve**

The share-based payment reserve records items recognized as stock-based compensation expense and other share-based payments until such time that the stock options are exercised, at which time the corresponding amount will be transferred to share capital.

Warrant Reserve

The warrant reserve records the fair value of warrants issued until such time that they are exercised, at which time the corresponding amount will be transferred to share capital.

7. RELATED PARTY TRANSACTIONS

The Company considers key management to be directors or senior officers of the Company. During the three-month periods ended March 31, 2017 and 2016, the Company incurred the following transactions with key management or companies controlled by key management of the Company:

	2017		2016	
Consulting revenue	\$	-	\$	2,500
Rent expense	\$	1,500	\$	9,000
Management fees		1,500		-
	\$	3,000	\$	9,000

As at March 31, 2017, the Company has recorded an advance payable of \$6,426 (December 31, 2016 - \$6,426) and an accounts payable of \$18,375 (December 31, 2016 - \$15,225) to companies controlled by common management.

During the year ended December 31, 2016, the Company issued 700,000 units to a company controlled by common management for gross proceeds of \$42,000. Each unit consists of one common share and one common share purchase warrant, which entitles the holder to purchase one additional common share of the Company at a price of \$0.085 per share for a period of three years (Note 6).

GRENVILLE GOLD CORP.

NOTES TO THE CONDENSED CONSOLIDATED INERIM FINANCIAL STATEMENTS

March 31, 2017

(Unaudited, expressed in Canadian dollars)

8. SHORT-TERM LOAN

On June 25, 2014, the Company arranged for unsecured short-term bridge financing with an unrelated, non-financial lender in the principal amount of \$119,675 bearing interest at a rate of 4% per annum until December 24, 2014 and prime + 10% subsequently. The loan was repayable in full on December 24, 2014.

During the year ended December 31, 2016, the Company repaid the loan in full including \$18,152 in accrued interest.

9. SEGMENTED INFORMATION

The Company has just one operating segment, the exploration and evaluation of mineral properties. All of the Company's equipment and exploration and evaluation assets are located in Peru.